

CLERK'S OFFICE
APPROVED
Date: 4-19-05

Submitted by: Chairman of the Assembly
at the Request of the Mayor
Prepared by: Office of Management and
and Budget
For Reading: March 29, 2005

ANCHORAGE, ALASKA
AO No. 2005- 48

1 AN ORDINANCE AMENDING ANCHORAGE MUNICIPAL CODE SECTION 12.25.040 TO
2 REDUCE THE 2005 MAXIMUM ATTAINABLE TAX REVENUE BY AN AMOUNT
3 ATTRIBUTABLE TO EXCLUSION OF THE EAGLE RIVER STREET LIGHT SERVICE AREA
4 FROM THE 2005 BUDGET.

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7 THE ANCHORAGE ASSEMBLY ORDAINS:

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9 **Section 1.** Anchorage Municipal Code section 12.25.040 is amended to add a new subsection
10 12.25.040J. as follows (*the remainder of the section is not affected and therefore not set out*):

11
12 **12.25.040 Computation of maximum attainable tax revenue amount.**

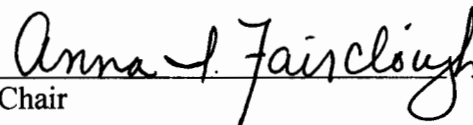
13
14 The estimate of maximum attainable tax revenue (next year revenue available) is computed
15 for the next fiscal year according to the following procedures:

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17 *** *** ***


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19 J. The fiscal year 2005 maximum attainable tax revenue calculated pursuant to this
20 section shall be reduced by an amount equal to the amount of revenue attributable to
21 the Eagle River Street Light Service Area in the approved 2005 municipal operating
22 budget.

23
24 **Section 2.** This ordinance shall be effective immediately upon passage and approval by the
25 Assembly.

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27 PASSED AND APPROVED by the Anchorage Assembly this 19th day of April, 2005.

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31 Chair

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34 ATTEST:

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36 
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38 Municipal Clerk

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects -- General Government

AO Number: 2005- 48

Title: AN ORDINANCE AMENDING ANCHORAGE MUNICIPAL CODE SECTION 12.25.040 TO REDUCE THE 2005 MAXIMUM ATTAINABLE TAX REVENUE BY AN AMOUNT ATTRIBUTABLE TO EXCLUSION OF THE EAGLE RIVER STREET LIGHT SERVICE AREA FROM THE 2005

Sponsor: Mayor BUDGET
 Preparing Agency: Office of Management and Budget
 Others Impacted: Maintenance and Operations Department

CHANGES IN EXPENDITURES AND REVENUES:						(In Thousands of Dollars)				
	<u>FY05</u>	<u>FY06</u>	<u>FY07</u>	<u>FY08</u>	<u>FY09</u>					
Operating Expenditures										
1000 Personal Services										
2000 Non-Labor										
3900 Contributions										
4000 Debt Service										
TOTAL DIRECT COSTS:	\$ -	\$ -	\$ -	\$ -	\$ -					
Add: 6000 Charges from Others										
Less: 7000 Charges to Others										
FUNCTION COST:	\$ -	\$ -	\$ -	\$ -	\$ -					
REVENUES est. not to exceed:										
CAPITAL:										
POSITIONS: FT/PT and Temp										

PUBLIC SECTOR ECONOMIC EFFECTS:

The 2005 approved budget for the Eagle River Street Light Service Area includes an estimated tax revenue of \$220,250. With an estimated assessed valuation for the Eagle River Street Light Service Area of \$752 million, the preliminary tax rate was 0.29 mills. These taxes were within the Municipal Tax Limitation at the approval of the 2005 Budget.

Anchorage Municipal Code (AMC) section 27.30.560 sets the tax levy at a rate not to exceed .50 mills, allowing taxes of approximately \$376,000 to be collected. This ordinance allows those taxes to be excluded from the Municipal Tax Limitation, reducing the maximum allowable tax revenue for 2005 as defined in AMC section 12.25.040. This allows the Eagle River Street Light Service Area budget to be set at an amount not to exceed \$376,000 in tax cost, as determined by the Maintenance and Operations Department, in the 2005 budget while being excluded from the Municipal Tax Limitation.

PRIVATE SECTOR ECONOMIC EFFECTS:

The 2005 preliminary tax levy represents an estimated cost of \$29 per \$100,000 of assessed valuation. If the tax levy is increased to the maximum .50 mills, taxpayers within the Eagle River Street Light Service Area will pay an amount not to exceed the .50 mills tax levy for street light maintenance and operations, an amount approximately \$50 per \$100,000 of assessed valuation.